

C. DUKES SCOTT
EXECUTIVE DIRECTOR

1441 Main Street, Suite 300
Columbia, SC 29201



DAN E. ARNETT
CHIEF OF STAFF

Main Line: (803) 737-0800
Legal Department: (803) 737-0877

FLORENCE P. BELSER
GENERAL COUNSEL

VIA EFILING AND HAND DELIVERY

June 11, 2007

lhammon@regstaff.sc.gov

Mr. Charles L.A. Terreni
Chief Clerk/Administrator
South Carolina Public Service Commission
101 Executive Center Dr., Suite 100
Columbia, SC 29210

Re: Petition of Telecom Management, Incorporated d/b/a Pioneer Telephone for
Alternative Regulation

Docket No. 2007-136-C

Dear Mr. Terreni:

The Office of Regulatory Staff ("ORS") has reviewed the above-referenced petition. Upon receiving additional information from Telecom Management, Incorporated ("the Company") as requested by ORS, ORS does not oppose the relief sought by the Company.

ORS has received verification from the Company that the form of alternative regulations sought is consistent with the principles and procedures established for Alternative Regulation in Commission Orders No. 1995-1734 and 96-55 in Docket No. 95-661-C, as modified by Order No. 2001-997 in Docket No. 2000-407-C. In these decisions, the Commission found that business long distance services, consumer card, private line, and operator service offerings should not be required to indicate maximum rates and that such tariffs be presumed valid upon filing, subject to the Commission's right within seven (7) days to institute an investigation of the tariff filing. This form of regulation was subsequently modified by Order No. 2001-997, dated November 8, 2001, wherein the Commission re-instated maximum rates for certain "operator-assisted calls" where a customer uses a local exchange carrier's calling card to complete calls from locations which have not selected that local exchange carrier as the toll provider. Order No. 2001-997 imposed a maximum cap of \$1.75 for operator surcharges for such calls, and a maximum cap of \$0.35 related to the flat per-minute rate associated with these calls. This is the form of alternative regulation currently approved by the Commission for carriers offering interexchange (long distance type) services.

Residential rates should continue to be regulated in accordance with provisions set out in Order No. 84-622 as modified by Order No. 93-638.

Should you have any questions concerning this matter, please let us know.

Sincerely,

A handwritten signature in black ink, appearing to read "C. Lessie Hammonds". The signature is fluid and cursive, with the first letter "C" being large and prominent.

C. Lessie Hammonds

cc: Kevin Photiades